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July 22, 1994

94-RF-07907

F. R. Lockhart Environmental Restoration Division DOE, RFFO

CONTINUATION OF WORK ON OPERABLE UNIT 4 REMEDIATION - SRK-157-94

Action: Confirm Direction for Rest of Fiscal Year (FY) 94 and FY 95 Budget

This correspondence will serve to inform you of EG&G's status with regard to existing and proposed Interagency Agreement (IAG) milestones for remediation of Operable Unit (OU) 4. It also seeks guidance regarding continuation of work during the next few months.

EG&G is currently working to accomplish the scope defined in our last change proposal and authorized by the various change control boards. This scope results in closure of the Solar Ponds with treated pond sludge disposed under the engineered barrier as part of the interim action. As you are aware, the Department of Energy's request to the regulatory agencies for IAG milestone extensions to allow modification of the Interim Measure/Interim Remedial Action Decision Document (IM/IRA DD) to include sludge disposal was denied. The DOE has formally disputed the agencies' decision. At the time of this writing, the three parties are pursuing resolution of this dispute.

In a decision reached during the first dispute resolution meeting, the parties have agreed to execute a new task over the next four weeks or so (although this period could extend up to five months) to resolve a number of the regulators' issues and concerns regarding the DOE's proposal. This action clearly indicates that the regulators have not, at this time, agreed to authorize sludge disposal as part of the interim action and would not, therefore, accept, review, issue for public comment, or approve the IM/IRA DD if it did, in fact, include such a proposal. Thus, it is apparent that the document which EG&G is currently preparing will be judged unacceptable by the regulators unless the dispute is settled in the DOE's favor. Consequently, further work on the document presents some risk that such effort will be wasted if the decision is unfavorable and an alternate technical approach must be taken. It is not clear that the regulators' reaction was anticipated when DOE approved the FY 94 Budget Change Proposals (BCP 94-80 and BCP 94-87) to incorporate sludge into the interim measure.

CLASSIFICATION:

RAFFIC

PATS/T130G

JNCLASSIFIED CONFIDENTIAL

SIGNATURE DOCUMENT CLASSIFICATION REVIEW WATYER PER —CLASSIFIGATION-OFFICE

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ACTION ITEM STATUS PARTIAUOPEN CLOSED TRISEROVALS: DRIGE TYPIST INITIALS

Therefore, EG&G requests direction from the DOE as to whether further work toward preparation of the IM/IRA DD should be continued until the dispute has been resolved. Although this decision is the DOE's, EG&G recommends that FY 94 work be continued and AUTHORIZED CLASSIFIEF FY 95 Budget Planning be performed to incorporate sludge into the interim measure. These recommendations are based upon the following considerations:

- EG&G is confident that the proposed action is not prevented by any technical or regulatory barriers; therefore, in the absence of political barriers, EG&G feels that the dispute will be resolved substantively, if not completely, in the DOE's favor.
- Answers to the regulators concerns, as currently known, either exist or will be developed during the normal course of project design evolution. Through proper focusing of upcoming interactions with the regulators, the DOE should be able to quickly resolve the concerns or schedule resolution at the appropriate point in the project.

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- The approximate daily expenditure rate for the IM/IRA DD related portion of the project at this time is \$14K. A considerable portion (approximately 85%) of the current work is insensitive to the proposal under dispute. Even an unfavorable dispute resolution would result in only \$70K to \$80K of work which might have been performed in support of the failed proposal.
- Cessation of work for any appreciable period of time will necessitate release of individuals currently involved with the effort and their inevitable reassignment to other tasks. Upon resumption of work, those individuals may not be available, with the resulting impact of loss of experienced personnel to the project. This effect will be felt first with our subcontractors, but can quickly spread to the EG&G program office.

EG&G's schedule to achieve the IAG milestones which govern this work is quite aggressive and depends upon considerable joint effort with the regulators. However, the regulators are currently pursuing re-review and re-work of work previously performed, as well as undertaking a new task requiring unplanned and advanced analyses, rather than reviewing current work needed to deliver the products which satisfy the milestones. As a specific example, the Environmental Protection Agency is, at this writing, two weeks late in submitting their comments to the draft IM/IRA DD and the proposed Phase II Resource Conservation and Recovery Act (RCRA) Facility Investigation/Remedial Investigation (RFI/RI) Work Plan. Therefore, EG&G expects that following IAG milestones to be impacted as indicated in the table footnotes. The FY 95 budget submittal or, if necessary, BCP's to that budget will be prepared when the dispute is resolved and EG&G commitment dates will be established on the basis of the resolution.

Milestone	Current IAG Date		DOE Proposed	Date	
Draft Proposed Phase I IM/IRA DD	05/27/94	(1)	10/26/94	(5)	
Draft Phase II RFI/RI Work Plan	05/27/94	(1)	05/27/94	(1)	
Proposed Phase I IM/IRA DD	08/06/94	(2)	01/26/94	(6)	
Final Phase II RFI/RI Work Plan	08/06/94	(3)	08/06/94	(7)	
Phase I IM/IRA DD Responsivenes Summary	12/14/94	(2)	06/05/95	(6)	
Final Phase I IM/IRA DD and Responsiveness Summary	02/25/95	(2)	07/24/95	(6)	
Submit Final IM/IRA Title II Design	02/10/95	(2)	06/21/95	(4)	
Begin IM/IRA Construction	09/27/95	(4)	09/27/95	(4)	

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Notes:

- 1 Achieved
- Cannot be met regardless of time or direction of dispute resolution 2
- Cannot be met because comments on draft received late 3
- Can be met if resolution occurs no later than October 7, 1994 4
- Will not be submitted formally; the proposed date is for a draft incorporating 5 comments and modifications will be prepared for roundtable review
- Can be met if resolution occurs no later than October 10, 1994 6
- Not related to dispute; completion date can be estimated when final regulator 7 comments are received

EG&G recommends that the dispute resolution process and associated documentation clearly identify the need for these milestones, including the "Start of Construction" milestone, to be renegotiated and re-established upon resolution of the dispute.

Please respond immediately with your direction as to continuation of work on this project. We are currently proceeding with FY 94 work and FY 95 budget planning to incorporate sludge into the interim measure per your previous direction. If we have not received your response by August 5, 1994, we will assume that you concur with our recommendation and will proceed accordingly. Please contact Andy Ledford at extension 8673 if you require any further information.

S. R. Keith

Program Manager Solar Pond Projects EG&G Rocky Flats, Inc.

JAL:pjm

Orig. and 1 cc - F. R. Lockhart

CC:

S. Howard DOE, RFFO

M.A. Witherill